

The complaint

Miss P has complained that Covea Insurance plc failed to provide a courtesy car while her car was being repaired when she made a claim under her car insurance policy. Miss P also complains that her No Claims Bonus (NCB) was impacted by the claim.

What happened

Miss P made a claim to her insurer, Covea in November 2022. Covea arranged for Miss P's car to be repaired by an approved repairer (AR).

Under Miss P's policy she is entitled to a courtesy car for the duration of repairs. But the AR didn't provide one.

Miss P complained to Covea as she was without use of a car for 46 days. She explained that she has a foot condition which means walking is very painful. Without access to a car, the impact on Miss P meant she was unable to work on a supply basis as she needed a car to travel, and over the Christmas period she wasn't able to meet family as planned. She said she used public transport and walked for her shopping, but this was difficult.

Miss P said that she found it very distressing having to deal with Covea and the AR as she was chasing for an update on the availability of a courtesy car. She said she'd been a careful driver for many years. Unhappy with the impact the claim had on her NCB, Miss P said she always protected it, but in error hadn't done so when she bought this policy.

Covea upheld Miss P's complaint and paid her £460 - equivalent to our recommended rate of £10 a day - for loss of use for 46 days. It increased the payment to £500 due to a delay in issuing the payment.

Miss P didn't think this was enough to put things right, and so she asked us to look at her complaint. Our Investigator thought the £500 Covea had paid was a starting point - and she thought Covea had correctly recorded the claim. But she thought Covea hadn't considered the impact and the distress and inconvenience caused to Miss P, so she recommended Covea pay £150 for this.

Miss P accepted the Investigator's recommendations. She provided medical evidence to support what she told us about her foot condition and the impact it has on her daily life.

Covea didn't agree. In summary it says it has paid a fair amount for loss of use. It said while the AR didn't say why it hadn't provided a courtesy car - but accepted it hadn't - Miss P had requested an automatic one and these are not as available as manual courtesy cars.

So as Covea didn't agree, the case has been passed to me to decide.

What I've decided – and why

I've considered all the available evidence and arguments to decide what's fair and reasonable in the circumstances of this complaint.

Miss P didn't complain to Covea that her NCB had been impacted by the claim. But she wants Covea to reinstate it as a way to put things right for failing to provide a courtesy car. I can see from her policy documents that her NCB wasn't protected. And so in line with the policy, when a claim is made it will have an impact on her NCB. So I don't think Covea should reinstate Miss P's NCB.

It isn't in dispute that Covea's AR failed to provide a courtesy car to Miss P for the duration of repairs - which meant Miss P had a loss of use of a vehicle for this time, even though she was entitled to one under the policy. In line with our approach, Covea paid Miss P £460 - increasing this to £500 for a delay in issuing the £460 payment.

But Covea didn't address the distress and inconvenience its failure to provide a car had caused Miss P. I note Covea's comments that Miss P requested an automatic courtesy car. So it says it had no update to give while a courtesy car wasn't available. However, it isn't clear that this was the reason why the AR didn't provide a courtesy car: Covea believes it may have been a reason. But that doesn't mean Miss P wasn't caused distress and inconvenience in the wait for one, having to call to ask if one was available, and planning her days before and after Christmas while being unable to work and carry out planned events with family. And having read and understood what the impact was, I think a fair outcome is for Covea to pay Miss P £150 compensation. I think this is in line with awards which we give for similar circumstances - and is outside of the loss of use payment Covea has paid Miss P.

My final decision

My final decision is that I uphold this complaint. I require Covea Insurance plc to pay Miss P £150 compensation for the distress and inconvenience caused. This is in addition to the £500 it's already paid Miss P for loss of use.

Covea Insurance plc must pay the compensation within 28 days of the date on which we tell it Miss P accepts my final decision. If it pays later than this it must also pay interest on the compensation from the date of my final decision to the date of payment at a simple rate of 8% a year.

Under the rules of the Financial Ombudsman Service, I'm required to ask Miss P to accept or reject my decision before 18 September 2023.

Geraldine Newbold
Ombudsman